The Nebraska Annual Social Indicators Survey

Lynn K. White - 1980 Study Director

The findings in this report are based on data collected in the fourth Nebraska Annual Social Indicators Survey (NASIS). This survey is part of an on-going study of the quality of life in Nebraska conducted by the Bureau of Sociological Research at the University of Nebraska-Lincoln.

The sample for NASIS consists of 1916 respondents eighteen years of age or older residing in households in Nebraska. The sample is selected through a process called random digit dialing: within each three-digit prefix in the state, four-digit numbers are selected randomly from all possible four-digit numbers to complete the telephone number. Respondents are further chosen randomly from the adults in the household and interviewed by telephone by experienced, professional interviewers from the offices of the Bureau of Sociological Research. All interviewing was done between February and April of 1980. This procedure produces a high-quality, representative sample of Nebraska adults. Analysis shows the sample to be representative of the state on age, sex, and geographical distribution.

The interview averaged approximately 45 minutes and included questions about environment, health, crime, political attitudes, occupation, education, family life, and other matters reflecting the quality of life experienced in the state. For the entire sample, the chances are 95 in 100 that the true value for the population lies within a range equal to the reported survey percentage plus or minus 2.3 percent. This is an estimate of maximum error and for most items the percentages are likely to be even more accurate.

The data gathered by NASIS are used by a wide variety of State and local government agencies for policy and program planning and by faculty and students at the University of Nebraska and other colleges for research. No information identifying any respondent is released to any user and the strict confidentiality of individual respondents is rigidly enforced. While the final responsibility for the organization and structure of the survey and for reports produced under its name rests with the Bureau of Sociological Research, public agencies and University departments play an integral part in planning the survey through an Advisory Committee. Public organizations interested in membership on the Advisory Committee should contact the NASIS Study Director.

Funding for NASIS comes from the University of Nebraska, the Bureau of Sociological Research and State and local agencies which buy items and data analysis from the survey.

The NASIS surveys are repeated each year to measure changes in the quality of life in Nebraska. While there is a core of questions which is included every year, each survey has a large component of unique items which address specific topical issues. Plans for future years include reinterviewing the 1977 panel every two years to assess changes in their lives. Additional detail on the NASIS surveys regarding use of the survey data or cost of purchasing items on future surveys can be obtained by contacting the NASIS Study Director at the Bureau of Sociological Research or by sending for a copy of the 1981 NASIS Prospectus.

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NEBRASKANS VIEW THE RECESSION

For the past two years financial hard times have been on the minds of many Americans at one time or another. Experts agree that the country has been experiencing a recession and inflation has been in double digits for many months. While Nebraska has been insulated from some of these effects by one of the lowest levels of unemployment in the nation, Nebraskans have felt the force of high inflation and the high cost of energy. This report attempts to assess the effect of these economic pressures on the economic outlook of people in Nebraska households. In it, we compare people's economic circumstances in 1978 (when the recession was just getting underway) with the situation in the Spring of 1980 when the recession was thought to be in full swing.

Data for this report come from the 1978 and 1980 Nebraska Annual Social Indicators Surveys. In the Spring of each of these years, a representative sample of over 1800 Nebraskans was interviewed about their economic situation and outlook. While different people were interviewed in 1980 than in 1978, the fact that both samples are large, randomly selected samples of the population means that we can treat their answers as if each represented the total, that is the same, population. Figures for the total sample can be treated as probably no farther than 2 percentage points different than the results achieved by interviewing each and every adult Nebraskan.

FINDINGS

We look at three general indicators of economic outlook: percent of husband-wife families under 65 where both husband and wife work, perceptions of family income compared to the average American family, and whether respondents feel their financial prospects now are better or worse than they were two years ago. Table 1 presents the distribution of these three indicators in 1978 and 1980. The results of the comparisons are somewhat mixed. Wife's employment has risen between 1978 and 1980 from 42 to 46 percent. While slight, this increase is large enough that it is probably a reflection of a real trend rather than just a difference of samples. Thus, economic conditions may be sending more wives to work. It is difficult to attribute this increase solely to the economy, however, because other factors (such as desire for personal fulfillment or a higher standard of living) may be encouraging women's employment.

In terms of perceptions of family income compared to average, the data show a <u>decrease</u> in the proportion who think their income is below that of the average American family. Perhaps people are surprised that they are so well off given the extensive press the recession has had. This may cause some people who judged their income to be below average in 1978 to feel average in 1980. On the other hand, there is some anxiety about the future. When asked to compare their prospects now with those in the past, there is a tendency for the 1980 sample to be more pessimistic than the 1978. It is important to note that while economic anxiety increased between 1978 and 1980, those people who feel positive about the future

still outnumber the pessimists.

Overall, these data present no evidence for a strong impact of the recession on Nebraskans' economic outlooks. There has been an increase in the number of two-earner households and, perhaps as a result, a decrease in the proportion of families who feel their income is below average. On the other hand, there is somewhat greater anxiety about the future than there was two years ago. The extensive media coverage of the recession then seems to have affected concern for the future more than it has affected the actual experience of Nebraska families.

Differences in Economic Outlook Among Population Sub-Groups

Because recessions usually have a greater impact on some segments of the population than on others, we examined these reports separately for minorities, for female-headed households, for farmers, for the retired, and for those below the poverty level. The data by sub-group for the three economic indicators are given in Table 2. For each indicator, we have presented the percent of the population in that category in 1980 and the extent to which this represents a change since 1978. Thus we can examine the absolute level of economic distress as well as the change in this level since the onset of the national recession.

The first column in this table gives percent of husband-wife families under 60 where both spouses work. Two-earner families are most prominent among those with higher incomes, among non-farm families, and among minority families. The strong association between two-earner families and income suggests strongly that wife's employment is a major means of

raising families' incomes above the poverty level. During the past two years the proportion of families with two earners has increased in every category except those with the highest incomes. The very high increase in two-earner families among minorities is best treated with caution; the proportion of minorities in our sample is small enough that responses may not be reliable.

The data in Table 2 indicate that the decreased tendency to feel that one has a below-average income is not evenly distributed among all types of households. In particular, the lower and middle income groups, the retired, and the farmers are most apt to have reported an increase in their perceived income. By very substantial amounts, the people in these categories have changed their perceptions of their own incomes from "below average" to "average." These are some of the groups that have received the most press coverage regarding their economic problems and who, in fact, are still most apt to report below average perceived income. Thus the data show that the groups with the lowest perceived incomes are also those most apt to have seen an improvement in their income between 1978 and 1980. There are two important exceptions to this statement: minority group households and female-headed households report considerably lower incomes than their counterparts, but perceive no correspondingly greater improvement in their incomes. Any real or perceived economic gains for the less-advantaged part of our society have not accrued to these households. Generally, however, these data provide no support for the suggestion that current economic conditions have disproportionately hurt the least well-off segments of society.

Unlike the changes in perceived income, increased anxiety about future economic prospects seems quite evenly spread among all categories of society. The only two groups who seem to have escaped from this general increase in pessimism are those whose incomes are below the poverty level and, somewhat surprisingly, farmers. These latter two groups still have the highest levels of pessimism reported in the table, but in their cases, their pessimism is much less than it used to be. In 1978, 36 percent of the farmers compared to 14 percent of the nonfarmers felt that the next two years would be worse than the last two; the changes between 1978 and 1980, by making farmers more hopeful and nonfarmers more doubtful, have almost erased the differences between the two groups. The same processes have worked to reduce previously very large differences among households above and below the poverty level. It is impossible from these data to know whether the economic improvements reported by these two groups are the result of real changes in inflation-adjusted income or whether they represent changes in perception of the economic situation.

SUMMARY

In summary, these survey data about individuals' perceptions of their economic situation indicate a mixed reaction or perhaps merely a delayed reaction to the national recession. Between 1978 and 1980, people generally felt that their incomes improved relative to others, but an increasing number has serious doubts that the coming years are going to be good to them. There are no major differences among groups in the extent

to which they are worried about future economic prospects and this consensus is itself an important change. Whereas in 1978 the poorest families and farm families felt significantly more anxious than others, in 1980 nearly all segments of the society expressed similar concern about their economic prospects.

These data should not be interpreted as a demonstration that the recession has had no effect on the economic situation of Nebraskans. Inflation has obviously hit us all. Other data in our survey indicate that over half of our respondents reduced gasoline consumption because of price, 38 percent changed their vacation plans, and another 42 percent expect to have to curtail family vacations in the future because of the high cost of fuel. What our data do indicate is that most families feel they're keeping pace with the rest of the population and maybe even making a little headway. While this perception may reflect a reduction in expectations as much as any real change in income, there is no evidence here that the recession has had a dramatic negative effect on the economic views of Nebraskans.

TABLE 1. CHANGES IN ECONOMIC INDICATORS, 1978-1980.

	1978 N=1933	1980 N=1915	Change
Percent of Husband-wife Households Under 65 Where Both Work	42%	46%	+4
Perception of Family Income			
Below average	27	23	-4
Average	54	56	+2
Above average	19	20	+1
Financial Prospects Now Compared to Two Years Ago			
Worse	19	26	+7
Same	42	40	-2
Better	39	34	-5

TABLE 2. INDICATORS OF ECONOMIC OUTLOOK IN 1980 AND CHANGES SINCE 1978 FOR 1978 & 1980 NASIS RESPONDENTS.

	Percent of Husband-wife Families Under 65 Where Wife Works		Percent of Families Who Rate Their Incomes Below Average		Percent of Families Who Believe Their Financial Prospects Are Worse Than Two Years Ago	
	1980	Change	1980	Change	1980	Change
TOTAL	46%	+4%	24%	-4%	26%	+7%
Sex of Household Head						
Male	--	--	20	-5	26	+7
Female	--	--	37	-4	28	+6
Race of Household Head						
White, Anglo	46	+4	23	-3	26	+7
Minority	56	+16	42	-1	26	+7
Actual Income Level						
Below Poverty	22	+6	51	-17	29	-5
Poverty-level to $20,000	43	+10	24	-17	26	+6
Over $20,000	56	0	6	-5	22	+8
Employment of Male Household Head						
Retired	--	--	27	-15	29	+7
Other	--	--	18	-5	25	+7
Farmer	28	+10	21	-15	29	-7
Non-farmer	54	+6	18	-4	26	+12

List of reports already released using data gathered in the 1980 Nebraska Annual Social Indicators Survey. These may be purchased at the indicated price from the Bureau of Sociological Research of the University of Nebraska-Lincoln.

Report Number	Title
1.	Designs, Procedures, Instruments and Forms for the 1980 NASIS. Lynn K. White. Price: $7.50.
2.	Status of Women in Nebraska. Susan Welch and Alan Booth. Price: $1.00.
3.	Congressional District and Planning Region Databook for the State of Nebraska. Lynn K. White. Price: $1.50.
4.	Nebraskans and Their Local Government. Susan Welch and Alan Booth. Price: $ .75.
5.	Migration in Nebraska: Movers and Stayers 1977-79. Lynn K. White. Price: $ .75.
6.	Nebraskans and Their University. David Brinkerhoff and Alan Booth. Price: $ .75.
7.	Nebraskans and Educational Pluralism. Helen Moore. Price: $1.00.
8.	Nebraskans and State Water Policy: An Update. Susan Welch. Price: $ .75.
9.	Food for Thought: Nebraskans Views on the Food Tax and Other State and Local Taxes. Susan Welch. Price: $ .75.

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